

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 06-07-25**

Date Published: July 20, 2006
For Work Week Commencing: July 24, 2006
Commission Meeting: July 25, 2006, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. Two TRO/TRRO Interconnection Agreement Amendments (Gary)

D2004.4.66 - Qwest Corporation/AT&T Communications of the Mountain States, Inc., D2002.12.156 - Qwest Corporation Blackfoot Communications, Inc.

Qwest has filed for approval with this Commission two TRO/TRRO amendments in the dockets listed above. The FCC, with the guidance of the United States D.C. Court of Appeals, has redefined what constitutes an unbundled network element (UNE) under Section 251 of the 1996 Telecommunications Act. Specifically, the FCC issued its Triennial Review Order (TRO) effective October 3, 2003. This was followed by the United States D.C. Court of Appeals USTA II decision on March 2, 2004. Finally, the Commission issued its Triennial Review Remand Order (TRRO) on March 11, 2005. The effect of these orders and decision was to remove a number of UNES from the list of UNEs required to be offered to competitive local exchange carriers (CLECs). These amendments list approximately 30 UNEs which Qwest and the parties to these agreements have agreed are no longer required to be offered under Section 251. These two TRO/TRRO amendments are virtually identical and were voluntarily negotiated by the parties involved.

Probable Motion: Move to approve the following two interconnection agreement amendments: D2004.4.66 - Qwest Corporation/AT&T Communications of the Mountain States, Inc., and D2002.12.156 - Qwest Corporation Blackfoot Communications, Inc. fka Montana Wireless, Inc, dba Blackfoot Communications.

2. Qwest N2006.7.100 (Scott)

On July 7, 2006, Qwest filed Tariff Transmittal 06-11, Primary Rate ISDN ICB Language Update. Qwest is proposing to update current language concerning Individual Case Basis arrangement for customers purchasing Primary Rate ISDN (PRS). Probable motion: Accept Qwest's Tariff Transmittal 06-11 in Docket N2006.7.100.

3. BLACK HILLS POWER D2006.6.96 (Eric)

On June 21, 2006, BHP filed a Quarterly Fuel Rate Rider application. A Notice of Opportunity for Public Hearing was issued on June 28, 2006. Requests for hearing were due by July 25, 2006. No requests have been received. This application will increase revenues by \$5,507 over the base cost of fuel approved in Docket No. 83.4.25. A default order has been drafted. Probable motion: Grant BHP's Quarterly Fuel Rate Rider application.

4. NorthWestern Corporation (NOR) D2006.7.101 (Eric)

On July 12, 2006, NOR filed an application seeking authority to refinance \$150,000,000 of Montana First Mortgage Bonds which mature on December 1, 2006. These bonds have a current effective annual coupon rate of 7.3 percent. The proceeds from this transaction will be used solely to refinance this maturing debt. A default order has been drafted. Probable Motion: Approve NOR's application to refinance \$150,000,000 of Montana First Mortgage Bonds.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2006.5.67, D2006.5.68, D2006.6.85, D2006.5.70 – Qwest Corporation, Pager People, Inc., Liberty Paging, Dunne Communications, Inc., Pacific Centrex Services, Inc. – Four interconnection agreements – Discuss and act on the agreements. (7/25/06)
2. D2006.5.66 – NorthWestern Energy – Electric tracker – Consider interim relief. (7/25/06)
3. N2005.12.172 – NorthWestern Energy – 2005 electric default supply plan – Discuss/act on draft comments. (7/25/06)
4. Discuss Commission practice/policy on staff discovery, specifically regarding the applicability of procedural schedule deadlines to staff discovery, etc. (7/25/06)
5. FY 2007 agency budget – Review and approve travel allocation for FY 2007, other questions on 2007 budget if needed. (7/25/06)

Other Meetings

7/24/06 1:00 p.m. – Montana-Dakota Utilities Midwest ISO presentation (Bollinger Room)

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. Citizens Telecommunications N2006.7.103 (Scott)

On July 12, 2006 Citizens filed Advice Letter No. MT-06-06 Special promotion. In this filing Citizens is requesting to introduce a special promotion beginning August 15, 2006 and ending November 12, 2006. Customers who accept this offer and order a Frontier Choicesm Tier Bundle will receive waivers of all installation charges.

2. Citizens Telecommunications N2006.7.104 (Scott)

On July 12, 2006 Citizens filed Advice Letter No. MT-06-07 Access Line Hunting service (ALH). The purpose of this filing is to introduce Access Line Hunting service to customers with more than one access line.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. Qwest Corporation D2006.3.39 (Tim)

On July 10, 2006, Qwest filed a Motion for Protective Order to govern disclosure of:

- (1) Confidential Attachments B, C, D, E, and Data Requests PSC-009
 - B - Additional residence line counts, 2001-2005;
 - C - Access line resold, 2001-2005;
 - D - UNE loops and UNE-P service counts, 2001-2005; and
 - E - Estimate of access lines lost to cable providers, 2001-2005;

- (2) Confidential Attachment A, Data Request MCC-002(b):
Costs of services proposed to be deregulated; and
- (3) Confidential Attachment B, Data Request MCC-010:
Cost manual.

Qwest maintains the above material is entitled to protection as trade secrets and/or because it is proprietary business and technical information.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199

1. NorthWestern Energy D2006.6.94 (Martin)

A protective order, Order No. 6753, was issued July 19, 2006, in the above PSC docket, which is NWE's 2006 qualifying facility avoided cost compliance filing.

2. Qwest Corporation D2005.6.105 (Martin)

A protective order, Order No. 6670b, was issued July 19, 2006, in the above PSC docket, which is a PSC investigation of Qwest's use of federal universal funds.

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2006.7.102 – NorthWestern Energy – Monthly Natural Gas Cost Rate Adjustment for the Period 8/1/06 through 6/30/07
 N2006.7.103 – Citizens Telecommunications Company of Montana dba Frontier Communications of Montana – Advice Letter No. MT-06-06, Special Promotion
 N2006.7.104 – Citizens Telecommunications Company of Montana dba Frontier Communications of Montana – Advice Letter No. MT-06-07, Access Line Hunting Service (ALH)

D2006.7.105 – Qwest Corporation and Airpage Acquisition, LLC – Type 1
Paging Connection Service Agreement

D2006.7.106 – Comma-Q Architecture, Inc. v. Qwest Corporation – Formal
Complaint